GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5137
ANSWERED ON:26.04.2002
DISPUTE BETWEEN INDIA AND US OVER TEXTILES
A. VENKATESH NAIK

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Union Government have again lodged complaint with dispute body of World Trade Organisation against United States over denial of free access to its textile and apparel products export;

(b) if so, the details thereof;

(c) whether the Government have taken any steps to create world opinion against frequent changes in rules of origin for textile by United States;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a)and (b) : Yes Sir. On 11 January 2002 India requested formal consultations with the United States under the Dispute Settlement Mechanism of the World Trade Organisation (WTO) regarding the changes in rules of origin for textiles and apparel products set out in the United States` Uruguay Round Agreements Act and the Trade and Development Act of 2000.India has questioned the compatibility of the changes with the provisions of the Agreement on Rules of Origin according to which rules of origin shall not themselves create restrictive, distorting or disruptive effects on international trade, shall not be discriminatory, and shall be administered in a consistent, uniform, impartial and reasonable manner. Formal consultations have been held with the United States on 7 February 2002 and 26 March 2002.

(c), (d) and (e) : The issue of changes introduced by the United States has been raised at various bilateral and multilateral fora.